

BEFORE THE

Federal Communications Commission

WASHINGTON, D.C. 20554

RECEIVED

MAY 10 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In re Application of
MILFORD BROADCASTING CO.

SHARON A. MAYER

For Construction Permit
for a new FM Station on
Channel 271C2
Milford, Iowa

) MM Docket No. 92-317
)
) File No. BPH-911003MI
)
) File No. BPH-911004MG
)
)
)
)
)

To: Honorable Edward Luton
Administrative Law Judge

**JOINT MOTION FOR SUSPENSION
OF PROCEDURAL DATES**

Milford Broadcasting Co. ("MBC") and Sharon A. Mayer ("Mayer"), by their attorneys, hereby request that the procedural dates in this proceeding be suspended. The following is submitted in support of this request.

1. On May 1, 1993, MBC and Mayer agreed to the attached Memorandum of Understanding which was recorded by a court reporter on May 1, 1993 in Milford, Iowa. After transcription and review by the parties, with two corrections duly noted, their respective Certificate pages were signed by David H. Potratz, President of MBC, and Mayer on May 6 and May 7, 1993, respectively. This Memorandum of Understanding records in detail the provisions of the settlement agreement between the parties.

No. of Copies rec'd
List A B C D E

OH

2. By Order, FCC 93M-135, released March 31, 1993, the Presiding Judge established the procedural schedule governing this proceeding. May 21, 1993 was designated as the date for exchange of exhibits and June 14, 1993 as the date for the commencement of the evidentiary hearing.

3. In light of the agreed upon settlement of this proceeding and the execution by the parties of the detailed Memorandum of Understanding, it is respectfully requested that the specified procedural schedule be suspended. A settlement agreement is being prepared together with a joint request for approval of the agreement. Those documents will be filed with the Presiding Judge as soon as possible and, presumably, before the May 21 exchange of exhibits date. However, because these documents must be reviewed by principals of MBC located in Iowa and Pennsylvania as well as by Ms. Mayer who resides in Iowa, the time involved in this review and transmittal of documents is such that the completion of these tasks will approximate the May 21 exchange of exhibits date.

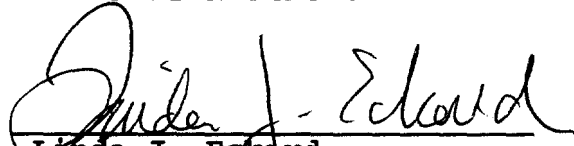
4. Grant of this request is therefore necessary to permit the preparation and filing with the Presiding Judge of the appropriate settlement documents and to avoid the unnecessary expense of having to prepare hearing exhibits of no import. Approval of the motion is in the public interest because it will contribute to the orderly and prompt dispatch of this proceeding and an early initiation of a new FM service to the Milford, Iowa area.

Wherefore, good cause having been shown, MBC and Mayer request that their joint motion for suspension of procedural dates be granted.

Respectfully submitted,

MILFORD BROADCASTING CO.

By:


Linda J. Eckard
Its Attorney

Roberts & Eckard, P.C.
Suite 222
1919 Pennsylvania Avenue, N.W.

ORIGINAL

MEMORANDUM OF UNDERSTANDING
BETWEEN SHARON MAYER AND DAVID POTRATZ

Dictated on Saturday, May 1, 1993

in Milford, Iowa, before:

Cheryl S. Smith,

Certified Shorthand Reporter

P.O. Box 542

Worthington, MN, 56187

* * *

PRESENT:

- * Ms. Linda Eckard, Attorney at Law, 1919 Pennsylvania Avenue SW, Suite 222, Washington, D.C., 20006;
- * Mr. Richard Swift, Attorney at Law, 1200 18th Street NW, Suite 210, Washington, D.C., 20036;
- * Ms. Sharon Mayer;
- * Mr. David Potratz.

* * *

1 ** MEMORANDUM OF UNDERSTANDING **

2 May 1, 1993

3
4 Memorandum of Understanding, dated May 1st, 1993
5 between Sharon A. Mayer and Milford Broadcasting Company,
6 applicants in a comparative proceeding before the Federal
7 Communications Commission for Channel 271C2 in Milford,
8 Iowa.

9 In settlement discussions held on this date, Sharon A.
10 Mayer on behalf of Sharon A. Mayer, and David Potratz,
11 President of Milford Broadcasting Company on behalf of
12 Milford Broadcasting Company, agreed to the following
13 points:

14 Point Number 1:

15 Milford Broadcasting Company agrees to pursue
16 competitive financing from local institutions located in
17 Clay and Dickinson Counties. Sharon Mayer agrees to use
18 her best efforts to assist and to participate in obtaining
19 financing from such institutions.

20 Point Number 2:

21 Sharon Mayer agrees to work for the radio station for
22 a period of two years from the date that the station
23 commences Program Test Authority. She will hold the title
24 of Director of Public Affairs, although her duties may be
25 expanded beyond that position. She will commit to working
26 a minimum of twenty hours per week in this capacity. At
27 the end of the two-year period, Mayer and Milford
28 Broadcasting Company will negotiate in good faith to

determine whether Mayer should continue in the position of Director of Public Affairs, and if so, at what salary. During the two-year period, Mayer will be paid a salary of eight hundred dollars (\$800.00) per month.

Point Number 3:

Milford Broadcasting Company will amend its bylaws to increase the number of directors to six. Sharon Mayer will be elected as a director of Milford Broadcasting Company and will not be removed as a director except for cause as determined under Iowa Corporate Law. However, if Mayer ceases to be a shareholder of Milford Broadcasting Company, she will resign her position as director.

Point Number 4:

Sharyl Potratz will resign as Secretary of Milford Broadcasting Company. Sharon Mayer will be elected Secretary of Milford Broadcasting Company to perform such duties as are assigned by the Board of Directors. She will not be removed as Secretary of Milford Broadcasting Company except for cause as determined under Iowa Corporate Law. However, if Mayer ceases to be a shareholder, she will resign her position as Secretary.

Point Number 5:

Sharon Mayer will acquire thirty percent (30%) of the voting stock of Milford Broadcasting Company at no cost. Mayer will have the option to purchase an additional twenty percent (20%) of the issued and outstanding stock of Milford Broadcasting Company on the following terms:

Commencing one year from the issuance date of the

1 construction permit for the radio station, or the grant of
2 Milford Broadcasting's Company's construction permit,
3 whichever is later.

4 On each anniversary thereafter for the next three
5 years, Mayer will have the option of acquiring five
6 percent (5%) of the outstanding voting stock of Milford
7 Broadcasting Company. The method for calculating the
8 purchase price for the shares shall be agreed to by the
9 parties as part of the settlement documents after
10 consulting with the accountant for Milford Broadcasting
11 Company.

12 In the event the company issues additional stock of
13 any kind, sufficient shares will be issued to Mayer in
14 order to maintain her percentage of ownership in Milford
15 Broadcasting Company.

16 It is the intent of the above option provisions that
17 should Mayer properly exercise each option available to
18 her, that at the end of the four-year period, she will
19 hold a total of fifty percent (50%) of the voting stock of
20 Milford Broadcasting Company. If Mayer sells her shares
21 of stock in Milford Broadcasting Company and any options
22 to acquire additional stock have not yet been exercised,
23 she will be prohibited from assigning the options to
24 purchase additional stock to a third party.

25 Mayer will be prohibited from selling her shares
26 of stock or any portion thereof to any person who is an
27 officer, director or shareholder of a medium of Mass
28 Communications, except for the current shareholders of

1 Milford Broadcasting Company. If Mayer decides to sell
2 her shares of stock or any portion thereof, she will offer
3 those shares of stock first to the current shareholders of
4 Milford Broadcasting Company for purchase. Sharyl
5 Potratz, David Potratz or Kevin Galbraith will not be
6 precluded from selling their shares of stock to each other
7 and Mayer will have no right to purchase shares which
8 Sharyl, David or Kevin offer to sell to each other.

9 However, if Sharyl, David or Kevin are offered such
10 shares of stock for purchase from one another and do not
11 wish to purchase such shares, then Mayer will be offered
12 The Right of First Refusal to acquire those shares.

13 Point Number 6:

14 Mayer will have The Right of First Refusal
15 to purchase the station should Milford Broadcasting
16 Company decide to sell the station.

17 Point Number 7:

18 The main studio of the station will be located in
19 Milford, Iowa for a period of no less than one year. And
20 any change in location of the main studio after that one
21 year period will be decided by the Board of Directors of
22 Milford Broadcasting Company.

23 Point Number 8:

24 Robert Mayer will be considered by Milford
25 Broadcasting Company as a consultant to Milford
26 Broadcasting Company.

27

28

1 Point Number 9:

2 Sharon Mayer and a representative of Milford
3 Broadcasting Company will meet with local counsel and the
4 local accountant to discuss implementation of the issues
5 covered in this Memorandum of Understanding.

6 This Memorandum of Understanding has been dictated to
7 a Certified Court Reporter. The Court Reporter has read
8 the full and complete contents of the Memorandum of
9 Understanding to Sharon Mayer and David Potratz. Sharon
10 Mayer and David Potratz as a representative of Milford
11 Broadcasting Company, agreed that this Memorandum of
12 Understanding reflects the basic terms of their agreement
13 to settle this proceeding.

14 Subject to a review of the Memorandum of Understanding
15 in written form as transcribed by the Court Reporter,
16 David and Sharon agree that they intend to execute the
17 Memorandum of Understanding and will act in good faith to
18 effectuate the terms of the Memorandum of Understanding.

19 * * *

20 COURT REPORTER: David, do you agree and
21 understand the terms and conditions of the Memorandum
22 of Understanding that I've just read?

23 DAVID POTRATZ: Yes.

24 COURT REPORTER: Sharon, do you agree and
25 understand the terms and conditions of the Memoradum
26 of Understanding that I've just read?

27 SHARON MAYER: Yes.

28 * * *

* * *

C E R T I F I C A T E

I, Cheryl S. Smith, a Certified Shorthand Reporter
and a Notary Public in and for the State of Iowa, hereby
certify that the above Memorandum of Understanding was
dictated to me on Saturday, May 1, 1993, at Milford,
Iowa;

That I took down in shorthand correctly the above

** C E R T I F I C A T E **

I, the undersigned, DAVID POTRATZ, do hereby certify that I have read the Memorandum of Understanding and that, to the best of my knowledge, said Memorandum of Understanding is true and accurate (with the exception of the following corrections listed below):

PAGE/LINE #:CORRECTIONS:Page 4/Line 3"whichever is later, and"Page 4/Line 4The letter "o" in the word "On" should be
changed to lower case.

May 6, 1993
(Date)

David M. Potratz
(Signature)

**** C E R T I F I C A T E ****

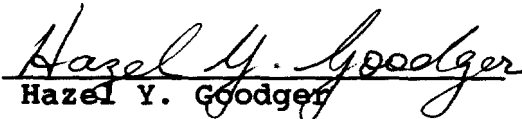
I, the undersigned, SHARON MAYER, do hereby certify
~~that I have read the~~ Memorandum of Understanding and

CERTIFICATE OF SERVICE

I, Hazel Y. Goodger, Secretary in the law firm of Tierney & Swift, hereby certify that on this 10th day of May, 1993, copies of the foregoing "Joint Motion for Suspension of Procedural Dates" have been delivered by hand to the following:

The Honorable Edward Luton
Administrative Law Judge
Office of Administrative Law Judges
Federal Communications Commission
2000 L Street, N.W., Room 223
Washington, D.C. 20554

Paulette Laden, Esquire
Hearing Branch,
Enforcement Division
Mass Media Bureau
Federal Communications Commission
2025 M Street, N.W., Room 7212
Washington, D.C. 20554


Hazel Y. Goodger